III. Quality/Compliance Issues

NHTSA Investigation on Lexus ES350 All Weather Floor Mats — On June 11, TMA submitted the response to NHTSA's inquiry regarding the Lexus ES350 All Weather Floor Mat investigation. In the response is Toyota's position regarding the installation of more than one floor mat in the driver footwell at the same time. Toyota has received complaints from owners of 38 vehicles regarding unintended acceleration. Eight crashes were reported to have happened. Some owners noted that more than one floor mat was installed in the driver footwell at the time of the incident. It is unclear, and Toyota cannot determine, if the dealers or the customers are installing more than one floor mat in the vehicle at the same time. Toyota began an owner notification last month in order to remind owners not to install more than one floor mat at the same time and has modified the mat to enlarge the warning that is already embossed on the front side. In addition, the retail packaging now includes a hang tag that attaches through the clip hole, to be removed by the owner prior to installation.

NHTSA Investigation on Sienna Liftgate Support Struts – TMA is awaiting an update from NHTSA regarding their internal testing of the Sienna liftgate. Toyota has already responded to the NHTSA's IR letter, and gave a technical demonstration of the liftgate to NHTSA. TMA will monitor the status and report if there are any new developments.

Early Warning Reporting (EWR) – Death Inquiry (DI) — On June 8, TMA submitted the response to the Death Inquiry letter (DI07-051) we received from NHTSA. The inquiry requests additional information on five of the fatal incidents reported in the fourth quarter of 2006 EWR submission.

<u>Early Warning Reporting (EWR) – Quarterly Submissions</u> —TMA submitted the 1st Quarter 2007 submission data, including aggregate, death and injury, and copies of non-dealer field reports. Two previous quarterly submissions of Death and Injury data, two quarters of aggregate data, and one quarter's field report submission were updated.

<u>Early Warning Reporting (EWR) – Amended Final Rule</u>—On May 29, NHTSA issued a final rule amending the requirements of Early Warning Reporting, 49 CFR 579. The effective date of the rule is June 29. This rulemaking is the first phase of review of the EWR requirements specified under the TREAD Act. This rule adds a definition of a "Product Evaluation Report" and excludes it from submission, amends the definition of a "Fire," and limits the updating of reports of death and injury to one year after the first submission.

<u>Peer Vehicle IR - GM Trailer Hitches –</u> TMA requested and received an extension of the due date of the peer vehicle IR for PE07-025, and investigation into alleged hitch receiver failure in certain Model Year (MY) 2002 C/K 2500 SUV's and Pickup's. The response is now due June July 9.

Foreign Recall Report – Camry Headlamp Switch – On May 30, TMA submitted a Foreign Recall Report (FRR) regarding an issue with certain Toyota Camry vehicles built at Toyota Motor Corporation Australia (TMCA). The subject vehicles are substantially similar to the U.S. market Toyota Camry, Camry Solara, Avalon, and Lexus ES300, ES330, ES350 vehicles. However, the issue is limited only to right hand drive vehicles built at TMCA, which are not imported into the US. There are 158,652 vehicles included in this campaign. Due to a problem with oxide buildup, there is a possibility that the headlamp switch may cause the headlamps to flicker or become inoperative intermittently.

<u>Foreign Recall Report – Vios Suspension –</u> On May 31, TMA submitted a Foreign Recall Report (FRR) regarding an issue with certain Toyota Vios vehicles built at Assembly Services Sdn. Bhd. ["ASSB"] for the Malaysian market. The subject vehicles are substantially similar to the U.S. market Toyota Echo, Yaris and Scion xA and xB vehicles. However, the issue is limited only to vehicles built at ASSB, which are not imported into the US. There are 73,791 vehicles included in this campaign. Due to insufficient tightening torque, the nut that secures the front suspension lower ball joint to the steering knuckle may loosen.

IV. Assessment

Frontal and Side NCAP Tests – 2008 MY Scion xB – TMA attended the front and side NCAP tests of the 2008 MY Scion xB at Karco in Adelanto, CA on June 13th. For the side test, preliminary results indicate that the vehicle will receive a 5 star rating for both the driver and rear passenger. For the frontal test, the results indicate a 4 star rating for both the driver and front passenger. The frontal results were not as expected by TMC, so TMA has negotiated a 1 week hold on release of the results and obtained the test data for TMC to review.

<u>Compliance Tests - 2007 MY FMVSS 208 AF05 Unbelted Compliance Tests -</u> From June 5 through June 7, NHTSA conducted FMVSS 208 compliance tests for the Camry, Yaris, and Prius at MGA Research in Burlington, WI. Each vehicle was tested in the 25 mph unbelted 5th female frontal barrier test after they returned from the dealership to have the steering column and other components replaced. Results from all three tests indicate that the vehicles comply with the regulation.

<u>Compliance Tests - FMVSS 301R Rear Impact Tests and FMVSS 305</u> - NHTSA contacted TMA with news that the Camry Hybrid would be tested in the high speed rear impact test on June 21, however, there was no vehicle available for testing. NHTSA plans on conducting the test in July or August at Calspan, in Buffalo, NY.

OTHER?:

<u>NHTSA Stars on Cars Information -</u> TMA received the first official vehicle rating from NHTSA. The 2007 MY Toyota Matrix will receive a 5 star rating for the driver and 4 star rating for the front passenger in the frontal NCAP test. It will receive a 5 star rating for the driver and a 4 star rating for the rear passenger in the side test on vehicles equipped with side airbags. Apparently, GM paid for an optional test of the Pontiac Vibe with side airbags, which prompted this notification. The vehicle will also receive a 4 star rollover rating.

<u>Amendments to Parts 573, 577, and 579</u> — On June 11, NHTSA published some amendments to Parts 573, 577, and 579. The changes specify the new physical address for correspondence with the agency, since the agency has relocated to a new facility in the Southeast Federal Center. It also adds or modifies email addresses and some personnel titles. None of these amendments impose or relax any substantive requirements or burdens on manufacturers.